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U.S. Federal Power  
Commission

State commission  
jurisdiction and regulation...

[Washington]

[1941]

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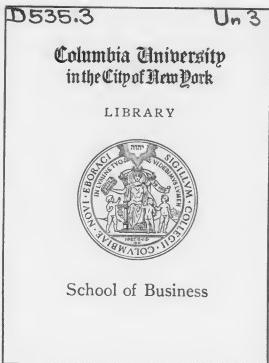


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**• State Commission Jurisdiction  
and Regulation of Electric  
and Gas Utilities**

**Scope of Report**

This report presents the results of a survey of State commission jurisdiction and regulation of electric and gas utilities. The report tabulates the data as supplied by the State commissions and thus represents their own interpretation of the nature and extent of regulation under existing laws. Prior to publication a preliminary draft of the report was submitted to the commissions for final verification and approval.

The extent of State commission regulation of electric and gas utilities varies not only with the statutes of the various States but with the interpretation of the laws by the courts. Certain of the State commissions exercise only part of the powers specifically granted by the statutes. Others exercise all the powers specifically granted by the statutes and, by liberal statutory interpretation, by indirect methods, or by cooperation of the utilities, effect regulation over many activities not specifically covered by the statutes.

Literal interpretation of the statutes of certain States, for example, indicate that the State commission has no powers to regulate the lease or sale of facilities, mergers, and consolidations, or reorganizations, but has broad powers over security issues. Some State commissions report that the power to control security issues is adequate to justify the statement that the lease or sale of facilities, mergers and consolidations, or reorganizations are subject to the control of the commission as incidental to their general powers. Some of the commissions report that such control is not incident to their general powers but qualify the answer with a footnote "Except when the issuance of securities is involved." Still other commissions ignore all indirect powers and report they have no power over the lease or sale of facilities, mergers and consolidations, and reorganizations. Thus, all possible interpretations—"yes," a qualified "yes," a qualified "no," and "no"—are, in effect, shown in the following tables to indicate the power of State commissions to regulate the lease or sale of facilities, mergers and consolidations, and reorganizations under reasonably comparable statutes. These variations in answers are due generally

to differences in points of view, in emphasis, and in interpretation rather than to basic statutory differences.

Powers specifically granted by the statutes are shown in the tables by the word "yes." Powers deemed incidental to the general powers granted by the statutes are shown by the word yes in parenthesis—"(yes)". Failure of a State commission to respond to a specific inquiry is indicated by an asterisk in parenthesis—"(\*)". A "no" indicates a negative answer by the State commission involved.

Qualifying footnotes have been used sparingly as it is not believed that such refinements would materially enhance the usefulness of the study. The answers given cannot be considered to be exhaustive or definitive. They are general. Complete and exhaustive analyses can be obtained only by a careful and detailed study of the statutes, court decisions, and commission activities in each State.

State commissions with powers to regulate one or more of the public service industries exist in each of the 48 States except Delaware.

The powers of State commissions to regulate electric and gas utilities are developed in text and tables as follows:

- Part I. Regulation of Privately Owned Electric Utilities.
- Part II. Regulation of Municipally Owned Electric Utilities.
- Part III. Regulation of Privately Owned Gas Utilities.
- Part IV. Regulation of Municipally Owned Gas Utilities.
- Part V. Regulation of Natural Gas Production.
- Part VI. Regulation of Other Than Electric and Gas Utilities.

Statements in the text as to the number of States with or without the power under discussion or which have or have not exercised certain powers are based on answers given in the questionnaires. States whose commissions did not answer certain questions have been excluded from these totals. All failures to answer are noted in the tables and the States involved are referred to by name in the text wherever such omissions might affect any of the data summarized.

The powers exercised by the Public Utilities Commission in the District of Columbia are shown in the tables, but these data are not included in the text material.

#### STATE COMMISSIONS REGULATING ELECTRIC AND GAS UTILITIES

Alabama Public Service Commission, Montgomery, Ala.	New Hampshire Public Service Commission, Concord, N. H.
Arizona Corporation Commission, Phoenix, Ariz.	New Jersey Board of Public Utility Commissioners, Trenton, N. J.
Arkansas Department of Public Utili- ties, Little Rock, Ark.	New Mexico State Corporation Com- mission, Santa Fe, N. Mex.
California Railroad Commission, San Francisco, Calif.	New York Public Service Commission, Albany, N. Y.
Colorado Public Utilities Commission, Denver, Colo.	North Carolina Utilities Commission, Raleigh, N. C.
Connecticut Public Utilities Commis- sion, Hartford, Conn.	Public Service Commission of North Dakota, Bismarck, N. Dak.
District of Columbia, Public Utilities Commission, Washington, D. C.	Ohio Public Utilities Commission, Columbus, Ohio.
Georgia Public Service Commission, Atlanta, Ga.	Oklahoma Corporation Commission, Oklahoma City, Okla.
Idaho Public Utilities Commission, Boise, Idaho.	Oregon Public Utilities Commissioner, Salem, Oreg.
Illinois Commerce Commission, Spring- field, Ill.	Pennsylvania Public Utility Commis- sion, Harrisburg, Pa.
Indiana Public Service Commission, Indianapolis, Ind.	Department of Business Regulation, Rhode Island Public Utilities Ad- ministrator, Providence, R. I.
Kansas State Corporation Commission, Topeka, Kans.	South Carolina Public Service Commis- sion, Columbia, S. C.
Kentucky Public Service Commission, Frankfort, Ky.	Tennessee Railroad and Public Utilities Commission, Nashville, Tenn.
Louisiana Public Service Commission, Baton Rouge, La.	Texas Railroad Commission, <sup>1</sup> Austin, Tex.
Maine Public Utilities Commission, Augusta, Maine.	Utah Public Service Commission, Salt Lake City, Utah.
Maryland Public Service Commission, Baltimore, Md.	Vermont Public Service Commission, Montpelier, Vt.
Massachusetts Department of Public Utilities, Boston, Mass.	Virginia State Corporation Commission, Richmond, Va.
Michigan Public Service Commission, Lansing, Mich.	Washington Department of Public Service, Olympia, Wash.
Missouri Public Service Commission, Jefferson City, Mo.	West Virginia Public Service Com- mission, Charleston, W. Va.
Montana Board of Railroad Commis- sioners, Helena, Mont.	Wisconsin Public Service Commission, Madison, Wis.
Nevada Public Service Commission, Carson City, Nev.	Wyoming Public Service Commission, Cheyenne, Wyo.

<sup>1</sup> Regulates gas utilities only.

## State Commission Regulation of Privately Owned Electric Utilities

State commissions having power to regulate rates and service of privately owned electric utilities exist in all but 8 of the 48 States. The States without commission regulation of rates and service are:

Delaware.	Minnesota.	South Dakota.
Florida.	Mississippi.	Texas.
Iowa.	Nebraska.	

Absence of commission control over rates and service in these States, of course, does not mean the complete absence of regulation. In Nebraska, for example, the Nebraska State Railway Commission controls the issuance of securities, has jurisdiction over rates and service in rural areas upon complaint, and has formulated and enforces safety standards for the construction and maintenance of transmission and distribution lines in rural territory; in Iowa, the Iowa State Commerce Commission formulates and enforces safety standards for the installation and maintenance of transmission and distribution lines outside the corporate limits of cities and towns; in Delaware, the State legislature exercises direct control over franchises; and in all of the States without commission regulation the municipalities exercise some power over rates and service.

The existence of a State commission does not mean that the power over rates and service is complete. In Colorado the commission does not regulate electric utilities operating in home-rule cities; in Kansas the commission does not control electric utilities operating entirely within a city; in New Mexico the commission does not control electric utilities in cities of 10,000 population or more; and in Ohio changes in the rates of an electric utility, by public authority, in incorporated places must be initiated by the city council.

The powers of the State commissions to regulate rates and service standards, to initiate investigations and hold hearings, and to establish temporary and sliding scale rates for privately owned electric utilities are shown in table IA. The powers of the State commissions to regulate initial service by certificates of convenience and necessity, lease or sale of facilities, mergers and consolidations, reorganizations, securi-

ties, affiliated interests, and related matters are shown in table IB. The extent of the powers of the State commissions to regulate the accounts and records of privately owned electric utilities and the degree to which these powers have been exercised are shown in table IC.

The data shown in table IA are summarized below.

**Rates.**—Commissions having the power to regulate rates may, subject to constitutional guarantees, establish the price at which electric energy is sold to various classes of consumers by the utilities under their jurisdiction. These include the sale of energy to residential, commercial, and industrial customers; to municipalities for municipal uses; and to other utilities for resale. Sales to residential, commercial, and industrial customers include retail sales to customers who purchase energy for their own use; sales to municipalities for municipal uses represent energy used for lighting streets and public buildings, for water pumping, and for other municipal power uses; and sales to other utilities for resale cover wholesale energy to other electric utilities within the State who, in turn, resell the energy to others; electric energy generated and used by others over the lines of an electric utility. Sales to other utilities for resale (interstate) are not included, as such rates are regulated by the Federal Power Commission.

All of the commissions with jurisdiction over privately owned electric utilities have the power to regulate rates to ultimate consumers for residential, commercial, and industrial service. Rates to municipalities for municipal uses, to other utilities for resale (intrastate), and to others for the transmission of electric energy are subject to commission regulation in all except a few of the States. Rates to municipalities for municipal uses are not regulated by commissions in two States—Oregon and Virginia—and in New York and Ohio they are not subject to regulation by the commission, if the utility and the municipality enter into a contract. (The commission in Oklahoma did not answer the question.) Rates to other utilities for resale (intrastate) are subject to regulation by the commission in all States with commission regulation.

**Service standards.**—Service standards of electric utilities involve those factors having to do with a customer receiving service of a quality and quantity intended by the rates established. These standards include accuracy of metering devices, continuity of service, voltage regulation, ability to secure service, and related factors.

Service standards and performance are regulated to some extent in all States having commission regulation. Each of the State commissions (the commission in Louisiana did not answer this question) has the power to establish standards of service such as the testing of meters, the maintenance of voltage, the continuity of service, etc.

The commissions in all States except Ohio have the power to require extensions in franchise area, which includes the power to prescribe the conditions under which new customers must be served. Unin-

corporated territory may be allocated among utilities in approximately one-half of the States with regulation. Indirect powers to allocate unincorporated territory may arise out of the power to require the extension of service or to grant or withhold a certificate of convenience and necessity. The existence of indirect powers to control the development of unincorporated territory, however, may not in all cases be interpreted as a power to allocate such territory among existing utilities, since the territory may be developed by a new utility.

Interconnections, the connecting of the lines of two or more utilities, may be ordered in all but 6 of the States with commission regulation. Interconnections may be ordered to secure continuity of service, to make low cost energy available over a wider area, or to reduce the average cost of the service. Generally, however, interconnections are ordered to guarantee adequate supplies of energy and are closely related to the problem of maintaining service standards.

The States in which the commissions do not have the power to order interconnections are:

Kansas.	Michigan.	Rhode Island.
Massachusetts.	New Mexico.	Virginia.

(The commission in Louisiana did not answer this question.)

**Investigations.**—State commissions may initiate investigations into the activities of privately owned electric utilities in all States with commission regulation. In making such investigations they may examine the records and properties of the utility, question its officials, and secure pertinent data from various sources.

**Temporary rates.**—Temporary rates may be prescribed by the commission in 22 of the States with commission regulation. The rates prescribed by the commission in such cases are effective at once and prior to the final determination of reasonable rates by investigation. If the investigation develops that the rates are inadequate, the utility's resultant losses must be covered by the rates finally established.

The States in which the commission may not prescribe temporary rates are:

Arkansas.	Maine.	Ohio.
California.	Michigan.	Oregon.
Colorado.	Nevada.	Rhode Island.
Kansas.	New Jersey.	Utah.
Louisiana.	New Mexico.	Wyoming.

(The commissions in Alabama, Vermont, and West Virginia did not answer this question.)

**Sliding scale rates.**—Sliding scale rates, plans which provide for automatic reductions or increases in rates when the rate of return to the utility exceeds or falls below a specified amount, may be established by order of the commission or by the utility with the approval of the commission in 32 of the States with commission regulation. The exceptions are Illinois, Indiana, Kentucky, Massachusetts, New

Mexico, Oregon, and Virginia. (The commission in Louisiana did not answer this question.)

The data shown in table IB are summarized in the following paragraphs:

*Certificates of convenience and necessity.*—The scope of the territorial operations of privately owned electric utilities is generally controlled by certificates of convenience and necessity or their equivalent. Certificates of convenience and necessity or their equivalent are required in 32 States having commission regulation. These certificates, permits to do business, are usually issued upon a showing that the applicant is responsible and that the area is without service or is inadequately served. Louisiana and Michigan issue such certificates only where competition is involved while in Connecticut electric utilities may be chartered only by special acts of the legislature.

The States not using certificates of convenience and necessity or their equivalent are:

Georgia.	Montana.	Oklahoma.
Maine.	New Mexico.	Virginia.
Massachusetts.	Otto.	Washington.

*Lease or sale of facilities, mergers and consolidations, and reorganizations.*—The lease or sale of facilities, mergers and consolidations, and reorganizations are subject to commission regulation in a large majority of the States. Only 5 of the States with regulation—Georgia, Montana, New Mexico, Michigan, and Oklahoma—lack the power to control any of these activities. (The commission in Louisiana did not answer this question.)

*Security issue.*—The issuance of securities is subject to commission control in 30 of the States having commission regulation. Usually short time notes (notes running for 1 year or less) are exempt from such provisions but the issuance of all other securities—bonds, preferred stock, common stock, debentures, etc.—is subject to regulation.

The States in which the commissions are without the power to control security issues are:

Colorado.	Nevada.	Utah.
Idaho.	New Mexico.	West Virginia.
Montana.	Oklahoma.	Wyoming.

(The commission in Louisiana did not answer this question.)

*Ownership of voting stock.*—Purchases of voting stock in one electric utility by another utility is subject to control by the commission in 27 of the States with commission regulation. The States in which the commissions do not have the power to regulate the control of an electric utility by another utility are:

Colorado.	Michigan.	New Mexico.
Georgia.	Montana.	Oklahoma.
Kansas.	Nevada.	Vermont.
Kentucky.	New Hampshire.	Wyoming.

(The commission in Louisiana did not answer this question.)

Purchases of voting stock by private individuals or corporations other than utilities are subject to control in 11 of the States with regulation. States in which the commission has the power to control such ownership of voting stock are:

Alabama.	New Jersey.	South Carolina.
Maryland.	New York.	Tennessee.
Massachusetts.	North Carolina.	Washington.
Missouri.	North Dakota.	

(The commissions in Idaho and Louisiana did not answer this question.)

Certain State commissions do not have the power to control the purchase of voting stock but have the power to publicize the ownership of substantial amounts of such securities. In Kansas, for example, 1 percent of the voting stock is considered a substantial interest and each utility must report names, addresses, and amount of securities owned for all persons or corporations holding 1 percent of the voting stock or more.

*Dividends.*—Dividends that will impair capital may be prohibited by 30 of the commissions. The States in which the commissions may not regulate the payment of dividends that will impair capital are:

Colorado.	Nevada.	Wyoming.
Michigan.	New Mexico.	
Montana.	Oklahoma.	

(The commissions in Kentucky, Louisiana, and Vermont did not answer this question.)

*Budgets of expenditures.*—Budgets of expenditures for specific purposes are subject to control by the commission in 15 of the States with commission regulation. These States are:

Alabama.	Missouri.	South Carolina.
Arizona.	New Jersey.	Tennessee.
Maine.	North Carolina.	Utah.
Maryland.	Oregon.	Washington.
Massachusetts.	Pennsylvania.	Wisconsin.

(The commissions in Louisiana, New York, and Vermont did not answer this question.)

*Contracts with or loans to affiliated interests.*—Contracts with or payments to affiliated interests are subject to commission regulation in 29 of the States with commission regulation. The States whose commissions do not have these powers are:

California.	Michigan.	New Hampshire.
Colorado.	Montana.	New Mexico.
Kentucky.	Nevada.	Wyoming.

(The commissions in Louisiana and Vermont did not answer this question.)

Loans to affiliated interests are not subject to commission control in Georgia, Indiana, North Dakota, Oklahoma, and Utah in addition to the States named above. Thus, the commissions in 24 of the 40 States with commission regulation of privately owned electric utilities have the power to control loans, as well as other contracts, between an electric utility and its affiliated interests.

*Competitive bidding on property additions and on security issues.*—The power to require competitive bidding on major property additions and on security issues (other than short-term notes) exists in 6 States with commission regulation. These States are:

Missouri.	Ohio.	South Carolina.
New Jersey.	Pennsylvania.	Wisconsin.

In addition to these States, competitive bidding on major property additions only may be required by commission in New York, on bond issues only in Massachusetts, and on security issues only in:

California.	Maine.	North Carolina.
Georgia.	Maryland.	North Dakota.
Kentucky.	New Hampshire.	Vermont.

Thus, commissions in 7 States may require competitive bidding on major property additions and in 16 States may require competitive bidding on security issues other than short-term notes. (Commissions not answering these questions were: Louisiana both questions, New Hampshire and Vermont the question on major property additions, and Alabama and New York the question on security issues.)

The data shown in table IC are summarized in the following paragraphs:

*Accounts and records.*—In all the States with commission regulation the commission has the power to prescribe a uniform system of accounts, to designate the records to be kept, and to order specific entries or adjustments to the accounts. In 36 of the States the commission may prescribe the depreciation method, and in 38 of the States it may prescribe the depreciation rates used in the accounts. The method of computing depreciation may not be prescribed in Massachusetts, New York, and Utah. (The commission in California did not answer this question.) The depreciation rates used in the accounts may not be prescribed in Massachusetts. (The commission in Nevada did not answer this question.) Report forms, annual and others, may be required by all the commissions.

All State commissions except the commissions in Arkansas and Wyoming have prescribed a uniform system of accounts and require an annual report from large privately owned electric utilities. (The commission in New Mexico did not answer the question on annual report forms.)

*Systems of accounts adopted.*—The system of accounts adopted for electric utilities by most State commissions differ only in details.

States using the same system of accounts have, in certain instances, modified the form slightly to provide for greater details or to supply local needs. In many cases the smaller utilities are exempt from the uniform system of accounts or are provided with a more simplified system. Allowing for modifications to provide greater details or to adapt the uniform system to local situations and for the exemption of smaller utilities, the uniform system of accounts prescribed in each of the States with commission regulation is as follows:

F. P. C. or 1936 N. A. R. U. C.* system	Former N. A. R. U. C.* system	Own system	No system
Alabama.	New Jersey, <sup>1</sup> Arizona.	Louisiana. Tennessee.	Arkansas, <sup>1</sup> Wyoming. <sup>1</sup>
California, <sup>2</sup>	New Mexico, New York, <sup>3</sup>	Massachusetts. Montana. New Hampshire. Ohio. Oklahoma, <sup>3</sup> Rhode Island.	
Colorado.	North Carolina, North Dakota.		
Connecticut.	Oregon, <sup>4</sup>		
Georgia.	Pennsylvania, <sup>5</sup>		
Idaho.	South Carolina, <sup>6</sup>		
Illinois, <sup>7</sup>	Utah.		
Indiana.	Vermont.		
Kansas.	Virginia, <sup>8</sup>		
Kentucky.	Washington.		
Maryland.	West Virginia, <sup>9</sup>		
Michigan.	Wisconsin.		
Missouri.			
Nevada.			

\*National Association of Railroad and Utilities Commissioners.

<sup>1</sup>With amendments to meet State requirements.

<sup>2</sup>Commission adopting its own system.

<sup>3</sup>F. P. C. system approved for utilities desiring to adopt it.

<sup>4</sup>F. P. C. system optional where applicable.

*Annual report forms adopted.*—The annual report forms required in each of the States with commission regulation are subject to the same variations between States and among utilities according to size as in the case of the uniform systems of accounts. (The commission in New Mexico did not answer this question.) With due allowances for these variations, the annual report form required in the various States is as follows:

F. P. C. or N. A. R. U. C.* annual report form	Former N. A. R. U. C. annual report form	Own annual report form
Alabama.	New Jersey, <sup>1</sup>	Colorado.
Arizona.	Oklahoma.	Louisiana.
Colorado.	Oregon, <sup>2</sup>	Nevada.
Connecticut.	South Carolina, <sup>3</sup>	Vermont, <sup>1</sup>
Georgia.	Tennessee, <sup>4</sup>	
Idaho.	Utah.	
Illinois.	Vermont, <sup>5</sup>	
Kansas.	Virginia, <sup>6</sup>	
Kentucky.	Washington.	
Maryland.	West Virginia, <sup>7</sup>	
Michigan.	Wisconsin.	
Missouri.		

\*National Association of Railroad and Utilities Commissioners.

<sup>1</sup>With amendments.

<sup>2</sup>Utilities with revenue of less than \$500,000.

<sup>3</sup>Utilities with revenues of \$250,000 or more.

<sup>4</sup>F. P. C. form permitted utilities reporting to F. P. C.

*Depreciation reserve requirements.*—State commissions in 9 of the 37 States in which the commissions have the power to prescribe the

method of computing depreciation have done so; and 3 of these commissions, New Jersey, North Carolina, and Tennessee, have prescribed the maximum and minimum reserve requirements in relation to plant. The States whose commissions have prescribed the method of computing depreciation and the method prescribed are shown below.

Alabama	(1).	Ohio	Straight line. <sup>2</sup>
Louisiana	Straight line.	Oregon	Do. <sup>3</sup>
Missouri	Do.	Tennessee	(1).
New Jersey	(1).	Wisconsin	Straight line. <sup>4</sup>
North Carolina	Straight line.		

<sup>1</sup> The commission did not answer the method.

<sup>2</sup> Method prescribed by statute.

<sup>3</sup> In one instance the sinking fund method has been prescribed.

<sup>4</sup> Utilities submit the method they propose to follow for approval.

<sup>5</sup> Provision is made for exceptions.

In some instances the commission has prescribed no general method of computing depreciation but follows the same method in all rate cases. This method tends to be adopted by the utilities in their account. (The commission in Idaho did not answer this question.)

*General regulations for the preservation of records.*—General regulations for the preservation of records have been issued by the commissions in 14 States. These States are:

Alabama.	Michigan.	Pennsylvania.
Arizona.	Montana.	Rhode Island.
California.	New Hampshire.	Utah.
Illinois.	New York.	West Virginia.
Massachusetts.	Oregon.	

*Continuous property records.*—Continuous property records, records showing at all times the cost of the plant by definite units, are prescribed by the commissions in 14 States. These States are:

Connecticut.	Massachusetts.	Pennsylvania.
Georgia.	New Hampshire.	Vermont.
Kentucky.	New Jersey.	West Virginia.
Louisiana.	New York.	Wisconsin.
Maryland.	North Carolina.	

(The commissions in Idaho and Nevada did not answer this question.)

*Lists of units of property used in accounts.*—Of the 38 States whose commissions have prescribed a uniform system of accounts, 17 States have provided lists of the units of property to be used in the accounts. These States are:

Alabama.	Indiana.	Oregon.
California.	Kentucky.	Pennsylvania.
Colorado.	Massachusetts.	Utah.
Georgia.	New Hampshire.	Virginia.
Idaho.	New York.	West Virginia.
Illinois.	North Dakota.	

(The commission in Nevada did not answer this question.)

*Advance submission of budgets.*—Of the 17 States whose commissions reported that they have the power to require the advance submission of budgets (table 1B) three of the commissions—New Jersey, Oregon, and Washington—have required such submission.

*Assessment of costs of regulating privately owned electric utilities.*—

The following tabulation shows the States in which the State commission may assess part or all of the costs of commission regulation of privately owned electric utilities against the utilities involved. Of the 40 States with commission regulation, 23 assess part or all of the costs of regulation against privately owned electric utilities. These States and the limitations on assessments are as follows:

State	Assess special costs	Assess general costs	Limitations on assessments
Alabama.	Yes <sup>1</sup> .	Yes	None
Arkansas.	No	No	0.4 percent of gross revenues. <sup>2</sup>
Georgia.	No	Yes	(1).
Illinois.	Yes	No	(1).
Iowa.	No	No	None
Kansas.	Yes	Yes	0.2 percent of gross revenues.
Kentucky.	No	Yes	(1).
Louisiana.	Yes	No	(1).
Michigan.	Yes	No	(1).
Maine.	No	No	0.5 percent of valuation.
New Hampshire.	Yes	No	0.5 percent of gross revenues.
New York.	Yes	No	0.5 percent of final valuation.
North Dakota.	No	Yes	None
Ohio.	Yes	Yes	None
Oregon.	No	Yes	0.25 percent of gross revenues.
Pennsylvania.	No	Yes	1 percent of gross revenue. <sup>4</sup>
Rhode Island.	Yes	No	None
South Carolina.	No	Yes	Do.
Tennessee.	No	Yes	0.5 percent of gross intrastate revenue
Vermont.	Yes	No	None
Washington.	Yes	No	1 percent of gross revenue.
West Virginia.	Yes	No	1 percent of gross revenue.
Wisconsin.	Yes	Yes <sup>5</sup>	1 percent of gross revenue.
Wyoming.	Yes	No	None

<sup>1</sup> State commission did not answer.

<sup>2</sup> When request for investigation is made by utility.

<sup>3</sup> Provided by state for maintenance of plant commission.

<sup>4</sup> Not to exceed during any 2 successive calendar years 1 percent of gross operating revenues derived from

<sup>5</sup> Not to exceed \$15,000 per year from all sources.

<sup>6</sup> Expenses for supervision and inspection on a percentage of gross operating revenues with a limit of \$2,000—

<sup>7</sup> Maximum sum fixed by legislature.

<sup>8</sup> Limitation applies only to special costs.

<sup>9</sup> Not to exceed 1 percent of gross revenues derived from supervising and inspecting the property and appropriated by the legislature. Fees, based on

<sup>10</sup> Funds derived from special license fees paid by utilities.

*Valuation of privately owned electric utilities for purposes of taxation.*—

Valuation of electric utilities for State and local taxes are made by the commission regulating these utilities in two States—Tennessee and Virginia. (The commission in Massachusetts did not answer this question.) In North Carolina the chairman of the commission is a member of the State Board of Assessment. In Wyoming the Public Service Commission and the State Board of Equalization are one and the same body but act independently.

*Indeterminate permits granted to privately owned electric utilities.*—Indeterminate permits, certificates to do business which run indefinitely as long as the utility renders satisfactory service, are issued to privately owned electric utilities in 18 of the States with commission regulation. These States are:

Arkansas.	Indiana.	New Hampshire.
California.	Kansas.	North Dakota.
Colorado.	Louisiana.	Ohio. <sup>1</sup>
Connecticut.	Maryland.	South Carolina.
Idaho.	Missouri.	Vermont.
Illinois.	Montana.	Wisconsin.

<sup>1</sup> Issued by municipalities only.

(The commission in West Virginia did not answer this question.)



TABLE IB.—*State commission regulation of*

States	Initial service by certificate of convenience and necessity	Lease or sale of facilities	Mergers and consolidations	Reorganizations	Issuance of securities
Alabama	Yes	Yes	Yes	Yes	Yes
Arizona	Yes	Yes	Yes	Yes	Yes
Arkansas	Yes	Yes	Yes	Yes	Yes
California	Yes	Yes	Yes	Yes	Yes
Colorado	Yes	Yes	(Yes)	(Yes)	No
Connecticut	No <sup>1</sup>	Yes	Yes	(Yes)	Yes
Delaware <sup>#</sup>					
District of Columbia	Yes	Yes	Yes	Yes	Yes
Florida <sup>#</sup>					
Georgia	No	No	No	No	Yes
Idaho	Yes	(Yes)	(Yes)	(Yes)	No
Illinois	Yes	Yes	Yes	Yes	Yes
Indiana	Yes	Yes	Yes	No	Yes
Iowa	Yes	Yes	Yes	No	Yes
Kansas	Yes	Yes	Yes	Yes	Yes
Kentucky	Yes	(Yes)	(Yes)	No	Yes
Louisiana	No <sup>1</sup>	(*)	(*)	(*)	(*)
Maine					
Maryland	Yes	Yes	Yes	Yes	Yes
Massachusetts	No	Yes	Yes	No	Yes
Michigan	No <sup>2</sup>	No	No	No	Yes
Minnesota					
Mississippi <sup>#</sup>					
Missouri	Yes	Yes	Yes	Yes	Yes
Montana	No	No	No	No	No
Nebraska					
New Hampshire	Yes	Yes	Yes	No	No
New Jersey	Yes	Yes	Yes	Yes	Yes
New Mexico	No	No	No	No	No
New York	Yes	Yes	Yes	Yes	Yes
North Carolina	Yes	Yes	Yes	Yes	Yes
North Dakota	Yes	Yes	Yes	Yes	Yes
Ohio	No	Yes	Yes	Yes	Yes
Oklahoma	No	No	No	No	No
Oregon	Yes	Yes	Yes	Yes	Yes
Pennsylvania	Yes	Yes	Yes	(Yes)	Yes
Rhode Island	Yes	Yes	Yes	(Yes)	Yes
South Dakota	Yes	Yes	Yes	Yes	Yes
Tennessee	Yes	Yes	Yes	Yes	Yes
Texas <sup>#</sup>					
Utah <sup>#</sup>	Yes	Yes	Yes	No	Yes
Vermont	No	No	(Yes)	(Yes)	Yes
Virginia					
Washington	No	Yes	Yes	Yes	Yes
West Virginia	Yes	Yes	Yes	Yes	No
Wisconsin	Yes	Yes	Yes	Yes	Yes
Wyoming	Yes	Yes	No	No	No

\*State commission did not supply answer.

(Yes) Incidental to general powers.

#No commission regulation of electric utilities.

### *privately owned electric utilities*

Purchases of voting stock by		Dividends that will impair capital	Budgets of expenditure for specific purposes	Loans to affiliated interests	Contracts with or payments to affiliated interests	To require competitive bidding on—
Private corporations	Other electric utilities					Major property additions
Yes	Yes	Yes	Yes	Yes	Yes	No
No	Yes	(Yes)	(Yes)	Yes	Yes	No
No	Yes	(Yes)	No	Yes	Yes	No
No	Yes	(Yes)	No	Yes	Yes	No
No	No	No	No	No	No	No
No	Yes	Yes	No	Yes	Yes	No
No	Yes	(Yes)	(Yes)	(Yes)	(Yes)	(Yes)
No	No	(Yes)	No	No	(Yes)	(Yes)
(*)	Yes	(Yes)	No	(Yes)	(Yes)	No
No	Yes	Yes	No	Yes	Yes	No
No	Yes	Yes	No	No	Yes	No
No	No	Yes	No	(Yes)	(Yes)	No
No	No	(Yes)	No	No	No	(Yes)
(*)	(*)	(*)	(*)	(*)	(*)	(*)
Yes	Yes	(Yes)	Yes	Yes	Yes	No
Yes	Yes	(Yes)	(Yes)	(Yes)	(Yes)	No
No	No	No	No	No	No	No
Yes	Yes	Yes	Yes	Yes	Yes	No
No	No	No	No	No	No	No
Yes	Yes	Yes	(*)	Yes	Yes	(*)
Yes	Yes	Yes	No	Yes	Yes	Yes
No	Yes	(Yes)	No	(Yes)	(Yes)	(Yes)
No	No	No	No	No	(Yes)	No
Yes	Yes	(Yes)	Yes	Yes	Yes	No
No	Yes	(Yes)	Yes	Yes	Yes	Yes
No	Yes	(Yes)	No	Yes	Yes	No
Yes	Yes	Yes	Yes	Yes	Yes	Yes
(Yes)	(Yes)	(Yes)	(Yes)	(Yes)	(Yes)	No
No	Yes	Yes	Yes	No	Yes	No
No	Yes	(*)	(*)	Yes	Yes	(Yes)
No	(Yes)	Yes	Yes	Yes	Yes	No
Yes	Yes	Yes	Yes	Yes	Yes	No
No	Yes	(Yes)	Yes	Yes	Yes	No
No	Yes	(Yes)	No	Yes	Yes	No
Yes	Yes	Yes	Yes	Yes	Yes	Yes

<sup>1</sup> Utilities chartered by special act of legislature.

Unless competition is involved.  
Bonds only

Bonds only.

TABLE IC.—*State commission regulation of*

State	Have power to—				
	Prescribe uniform system of accounts	Desistimate records to be kept	Order specific entries or adjustments to accounts	Prescribe depreciation method	Prescribe depreciation rates used in accounts and other reporting forms
Alabama	Yes	Yes	(Yes)	Yes	Yes
Arizona	Yes	Yes	(Yes)	Yes	Yes
Arkansas	Yes	Yes	(Yes)	Yes	Yes
California	Yes	Yes	(Yes)	Yes	Yes
Colorado	Yes	Yes	(Yes)	Yes	Yes
Connecticut					
Delaware	Yes	Yes	Yes	Yes	Yes
District of Columbia	Yes	(Yes)	Yes	Yes	Yes
Florida					
Georgia	Yes	(Yes)	(Yes)	(Yes)	Yes
Idaho	Yes	Yes	(Yes)	Yes	Yes
Illinois	Yes	Yes	(Yes)	Yes	Yes
Iowa	Yes	Yes	Yes	Yes	Yes
Kansas	Yes	Yes	Yes	(Yes)	Yes
Kentucky					
Louisiana	Yes	(Yes)	(Yes)	(Yes)	Yes
Maine	Yes	(Yes)	(Yes)	(Yes)	(Yes)
Maryland	Yes	(Yes)	(Yes)	(Yes)	Yes
Massachusetts	Yes	Yes	Yes	Yes	Yes
Michigan	Yes	(Yes)	(Yes)	No	No
Minnesota					
Mississippi	Yes	(Yes)	Yes	Yes	Yes
Missouri	Yes	(Yes)	Yes	Yes	Yes
Montana	Yes	(Yes)	(Yes)	(Yes)	Yes
Nebbraska					
New Hampshire	Yes	Yes	Yes	Yes	Yes
New Jersey	Yes	Yes	Yes	Yes	Yes
New Mexico	Yes	(Yes)	(Yes)	(Yes)	(Yes)
New York	Yes	Yes	Yes	No	(Yes)
North Carolina	Yes	Yes	Yes	Yes	Yes
North Dakota	Yes	Yes	Yes	Yes	Yes
Ohio	Yes	Yes	Yes	Yes	Yes
Oklahoma	Yes	Yes	Yes	Yes	Yes
Oregon	Yes	Yes	Yes	Yes	Yes
Pennsylvania	Yes	Yes	Yes	Yes	Yes
Rhode Island	(Yes)	(Yes)	(Yes)	(Yes)	(Yes)
South Carolina	Yes	Yes	Yes	Yes	Yes
South Dakota					
Tennessee	Yes	Yes	Yes	Yes	Yes
Texas					
Utah	Yes	Yes	No	Yes	Yes
Vermont	Yes	Yes	Yes	Yes	Yes
Virginia	Yes	(Yes)	(Yes)	(Yes)	(Yes)
Washington	Yes	(Yes)	(Yes)	Yes	Yes
West Virginia	Yes	Yes	Yes	(Yes)	Yes
Wisconsin	Yes	Yes	(Yes)	Yes	Yes
Wyoming	Yes	Yes	Yes	Yes	Yes

\*State commission did not supply answer.

#No commission regulation of electric utilities.

(Yes) Incidental to general powers.  
I.E.R.C. system approved for utility

I F. P. C. system approved for utilities desiring to adopt it.

### *privately owned electric utilities*

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*Part II*

## State Commission Regulation of Municipally Owned Electric Utilities

State commissions in 24 of the 40 States with State commission regulation of privately owned electric utilities have some powers to regulate municipally owned electric utilities. These States and the nature of the regulation are shown in table II.

*Rates.*—State commissions have the power to exercise some control over the rates of municipally owned utilities in 19 of the 24 States with commission regulation of municipally owned electric utilities. In 11 of these 19 States the commission has the power to control rates both inside and outside the corporate limits of the municipalities involved. These States are:

Indiana.	Nevada.	West Virginia.
Maine.	New York.	Wisconsin.
Maryland.	Rhode Island.	Wyoming.
Montana.	Vermont.	

(The commission in New Mexico states that there are no specific provisions for regulating municipally owned electric utilities and that regulation has not been attempted under general statutes. The commission in Louisiana did not answer this question, and the situation in Utah is doubtful due to an adverse court decision.) In Indiana the State commission has power to regulate rates to residential, commercial, and industrial customers but does not have power to regulate rates for energy used by agencies of the municipality.

State commissions in an additional 8 States have the power to regulate rates outside the corporate limits of the municipalities involved. These States are:

Arkansas.	Kentucky.	Pennsylvania.
Colorado.	New Hampshire.	Utah.
Georgia.	New Jersey.	

Thus, the State commissions in 19 of the 24 States with commission regulation of municipally owned utilities have the power to regulate rates outside the corporate limits of the municipalities involved. (The commission in Louisiana did not answer this question.)

*Service standards and performances.*—Service standards and performance of municipally owned utilities are subject to regulation by the State commissions in 13 of the 26 States regulating such utilities. These States are:

Connecticut.	New Jersey.	Vermont.
Maine.	New York.	West Virginia.
Maryland.	Pennsylvania. <sup>1</sup>	Wisconsin.
Montana.	Rhode Island.	Wyoming.
Nevada.		

<sup>1</sup> Outside corporate limits only.

(The commission in Louisiana did not answer this question and the situation in Utah is doubtful, due to an adverse court decision.)

*Initiate investigations.*—State commissions have the power to initiate investigations of municipally owned electric utilities in 13 States. All State commissions having the power to regulate rates both inside and outside the corporate limits of the municipalities involved have the power to initiate investigations on their own motion. In addition the commissions in New Jersey and in Pennsylvania, which have the power to control rates and service outside the corporate limits of the municipalities, have the power to investigate municipally owned electric utilities. These States are:

Indiana.	New Jersey.	Vermont.
Maine.	New York.	West Virginia.
Maryland.	Pennsylvania.	Wisconsin.
Montana.	Rhode Island.	Wyoming.
Nevada.		

(The commission in Louisiana did not answer this question.)

*Scope of operations.*—The scope of operations of municipally owned electric utilities inside the corporate limits of the municipality is subject to control by the State commissions through certificates of convenience and necessity, or their equivalent, in 7 States. Operations outside the corporate limits of the municipality are subject to control by the State commissions in 17 States.

The States in which the commission has the power to control the scope of operations of municipally owned electric utilities inside the corporate limits of the municipality are:

Kentucky.	Rhode Island.	Wisconsin.
Maine.	West Virginia.	Wyoming.
Maryland.		

(The commission in Louisiana did not answer this question.)

The States in which the commission has the power to control the operations of municipally owned electric utilities outside the corporate limits of the municipality are:

Arkansas.	Maryland.	North Carolina.
Colorado.	Massachusetts.	Pennsylvania.
Indiana.	Nevada.	Rhode Island.
Kentucky.	New Hampshire.	West Virginia.
Louisiana.	New Jersey.	Wisconsin.
Maine.	New York.	Wyoming.

(The commission in Louisiana did not answer this question.)

*Accounts and records.*—A uniform system of accounts for municipally owned electric utilities may be prescribed by the State commission in 19 of the 24 States regulating municipally owned electric utilities.

These States are:

Connecticut.	Nevada.	Pennsylvania.
Indiana.	New Hampshire.	Rhode Island.
Maine.	New Jersey.	Vermont.
Maryland.	New York.	West Virginia.
Massachusetts.	North Carolina.	Wisconsin.
Montana.	Ohio.	Wyoming.
Michigan.		

(The commission in Louisiana did not answer this question.)

Accounting practices, records, and entries of municipally owned electric utilities may be regulated by State commissions in 17 States. With the exception of Indiana and Michigan these States are those listed as having the power to prescribe a uniform system of accounts and, in addition, Connecticut, Michigan, and New Jersey.

Depreciation rates used in the accounts of municipally owned electric utilities may be regulated by the State commissions in 13 States. These States are:

Maine.	New Hampshire.	Vermont.
Maryland.	New Jersey.	West Virginia.
Massachusetts.	North Carolina.	Wisconsin.
Montana.	Pennsylvania.	Wyoming.
Nevada.	Rhode Island.	

(The commission in Louisiana did not answer this question.)

Annual reports covering the activities of municipally owned electric utilities may be required by the State commissions in 18 States. These States are:

Connecticut.	Montana.	Pennsylvania.
Indiana.	Nevada.	Rhode Island.
Louisiana.	New Hampshire.	Vermont.
Maine.	New Jersey.	West Virginia.
Maryland.	New York.	Wisconsin.
Massachusetts.	North Carolina.	Wyoming.

(The commission in Louisiana did not answer this question.)

*Assessment of the cost of regulating municipally owned electric utilities.*—

State commissions may assess the general and special costs of regulation against municipally owned electric utilities in Wisconsin. Assessment of special costs incident to rate investigations may be made in Rhode Island, Vermont, and Wyoming. Limitations on assessments in these 3 States are the same as for privately owned utilities.

*Rights of municipally owned electric utilities to serve outside corporate limits.*—Municipally owned utilities have the right to serve outside the corporate limits of the municipality in 27 of the 40 States with commission regulation of electric utilities. These States are:

Arizona.	Michigan.	Oregon.
Arkansas.	Montana.	Pennsylvania.
California.	Nevada.	Rhode Island.
Colorado.	New Hampshire.	South Carolina.
Illinois.	New Jersey.	Utah.
Indiana.	New York.	Washington.
Kansas.	North Carolina.	West Virginia.
Kentucky.	Ohio.	Wisconsin.
Massachusetts.	Oklahoma.	Wyoming.

In another State, Maryland, the municipality has this right if the charter is broad enough. In 3 other States—Connecticut, Maine, and Vermont—the power must be specifically provided in the charter. In Missouri municipally owned electric utilities may not serve outside of the corporate limits of the municipality. (The commissions in Alabama, Georgia, Idaho, Louisiana, New Mexico, North Dakota, Tennessee, and Virginia did not answer this question.)



*Part III*

## State Commission Regulation of Privately Owned Gas Utilities

State commissions have power to regulate rates and service of privately owned gas utilities in all but 7 of the 48 States. The States without commission regulation of rates and service are:

Delaware.	Minnesota.	Nebraska.
Florida.	Mississippi.	South Dakota.
Iowa.		

Absence of commission control over rates and service in these States, of course, does not mean the complete absence of regulation. In Nebraska, for example, the Nebraska State Railway Commission controls the issuance of securities; in Iowa, the Iowa State Commerce Commission formulates and enforces safety standards for the installation and maintenance of pipe lines; in Delaware, the State legislature exercises direct control over franchises; and in all of the States without commission regulation the municipalities exercise some power over rates and service.

The existence of a State commission does not mean that the power over rates and service is complete. In Colorado the commission does not regulate gas utilities operating in home-rule cities; in Kansas the commission does not control gas utilities operating entirely within a city; in New Mexico the commission does not control gas utilities in cities of 10,000 population or more; and in Ohio changes in the rates of a gas utility in incorporated places by public authority must be initiated by the city council.

The powers of the commissions to regulate rates and service standards, to initiate investigations and to hold hearings, and to establish temporary and sliding-scale rates for privately owned gas utilities are shown in table IIIA.

The powers of the commissions to regulate initial service by certificates of convenience and necessity, lease or sale of facilities, mergers and consolidations, reorganizations, securities, transactions with affiliated interests, and related matters are shown in table IIIB.

(28)

The extent of the powers of the commissions to regulate the accounts and records of privately owned gas utilities and the degree to which these powers have been exercised are shown in table IIIC.

The data shown in table IIIA are summarized in the following paragraphs:

*Rates.*—Commissions having the power to regulate rates of gas utilities may, subject to constitutional guarantees, establish the price at which gas is sold to various classes of consumers by the utilities under their jurisdiction. These include the sale of gas to residential, commercial, and industrial customers; to municipalities for municipal uses; to other utilities for resale; and to others for transportation service only. Sales to residential, commercial, and industrial customers include retail sales to customers who purchase gas for their own use; sales to municipalities for municipal uses represent gas used in public buildings or for other municipal purposes; sales to other utilities for resale (intrastate) cover sales of gas at wholesale to other gas utilities within the State who, in turn, resell the gas to others; and rates to others for transportation service represent charges for transporting gas produced and used by others over the lines of a gas utility.

All of the commissions with jurisdiction over privately owned gas utilities have the power to regulate rates to ultimate consumers for residential, commercial, and industrial service. Rates to municipalities for municipal uses; to other utilities for resale (intrastate); and to others for the transportation of gas are subject to regulation by all except a few of the State commissions. Rates to municipalities for municipal uses are not regulated in 2 States—Oregon and Virginia—and in New York and Ohio they are not subject to commission regulation, if the utility and the municipality enter into a contract. (The commissions in Louisiana and Oklahoma did not answer this question.) Rates to other utilities for resale (intrastate) appear to be subject to commission regulation in all States with commission regulation. (The commission in Louisiana did not answer this question.) Rates for transportation service only are not subject to commission regulation in 3 States with commissions—New Mexico, Ohio, and Virginia. (The commissions in Idaho, Louisiana, and New Jersey did not answer this question.)

*Service standards.*—Service standards of gas utilities involve those factors having to do with a customer receiving service of a quality and quantity intended by the rates established. These standards include accuracy of metering devices, continuity of service, pressure regulation, ability to secure service, and related factors.

Service standards and performance are regulated to some extent in all States having commission regulation. Each of the State com-

missions (the commission in Louisiana did not answer this question) has the power to establish standards of service.

The commissions in all States except Ohio have the power to require extensions in franchise area, which includes the power to prescribe the conditions under which new customers must be served. (The commission in Louisiana did not answer this question.) Unincorporated territory may be allocated by the commission among utilities in approximately one-half of the States with regulation. Indirect powers of the commissions to allocate unincorporated territory may arise out of the power to require the extension of service or to grant or withhold a certificate of convenience and necessity. The existence of indirect powers to control the development of unincorporated territory, however, may not in all cases be interpreted as a power to allocate such territory among existing utilities, since the territory may be developed by a new utility.

Interconnections, the connecting of the lines of two or more utilities, may be ordered by the commissions in all but 6 of the States with commission regulation. Interconnections may be ordered to secure continuity of service, to make low cost gas available over a wider area, or to reduce the average cost of the service. Generally, however, interconnections are ordered to guarantee adequate supplies of gas and are closely related to the problem of maintaining service standards.

The States in which the commissions do not have the power to order interconnections are:

Kansas.  
Massachusetts.

Michigan.<sup>1</sup>  
New Mexico.

Rhode Island.  
Virginia.

<sup>1</sup> Natural gas utilities only.

(The commissions in Louisiana and Missouri did not answer this question.)

*Investigations.*—State commissions may initiate investigations into the activities of privately owned gas utilities in all States with commission regulation. In making such investigations they may examine the records and properties of the utility, question its officials, and secure pertinent data from various sources.

*Temporary rates.*—Temporary rates may be prescribed by the commission in 22 of the States with commission regulations. The rates prescribed by the commission in such cases are effective at once and remain in force until the final determination of reasonable rates by investigation. If the investigation develops that the rates are inadequate, the utility's resultant losses must be covered by the rates finally established.

The States in which the commission may prescribe temporary rates are:

Arizona.  
Connecticut.  
Georgia.  
Idaho.  
Illinois.  
Indiana.  
Kentucky.  
Maryland.

Massachusetts.  
Missouri.  
Montana.  
New Hampshire.  
New York.  
North Carolina.  
North Dakota.

Oklahoma.  
Pennsylvania.  
South Carolina.  
Tennessee.  
Virginia.  
Washington.  
Wisconsin.

(The commissions in Alabama, Louisiana, and Vermont did not answer this question.)

*Sliding-scale rates.*—Sliding-scale rates, plans which provide for automatic reductions or increases in rates when the rate of return to the utility exceeds or falls below a specified amount, may be established by order of the commission or by the utility with the approval of the commissions in 34 of the States with commission regulation. The exceptions are Illinois, Indiana, Kentucky, Massachusetts, New Mexico, Oregon, and Virginia. (The commission in Louisiana did not answer this question.)

The data shown in table IIIB are summarized in the following paragraphs:

*Certificates of convenience and necessity.*—The scope of the territorial operations of privately owned gas utilities is generally controlled by certificates of convenience and necessity or their equivalent. Certificates of convenience and necessity or their equivalent are required in 31 States having commission regulation. These certificates, permits to do business, are usually issued upon a showing that the applicant is responsible and that the area is without service or is inadequately served.

The States which do not issue certificates of convenience and necessity are:

Georgia.  
Maine.  
Massachusetts.  
Montana.

New Mexico.  
Ohio.  
Oklahoma.

South Carolina.  
Virginia.  
Washington.

Louisiana and Michigan issue such certificates only where competition is involved. Gas utilities in Connecticut may be chartered only by special acts of the legislature.

*Lease or sale of facilities, mergers and consolidations, and reorganizations.*—The lease or sale of facilities, mergers, and consolidations, and reorganizations are subject to commission regulation in a large majority of the States. Commissions in only 7 of the 41 States with regulation—Georgia, Michigan, Montana, New Mexico, Oklahoma, South Carolina, and Texas—lack the power to control any of these activities. (The commission in Louisiana did not answer this question.)

*Security issues.*—The issuance of securities is subject to commission control in 29 of the States having commission regulation. Usually short-time notes (notes running for 1 year or less) are exempt from such provisions but the issuance of all other securities—bonds, preferred stock, common stock, debentures, etc.—is subject to regulation.

The States in which the commissions do not have the power to control security issues are:

Colorado.	New Mexico.	Utah.
Idaho.	Oklahoma.	West Virginia.
Montana.	South Carolina.	Wyoming.
Nevada.	Texas.	

(The commission in Louisiana did not answer this question.)

*Ownership of voting stock.*—Purchases of voting stock in one gas utility by another gas utility are subject to commission control in 26 of the States with commission regulation. The States in which the commissions have the power to regulate the control of a gas utility by another gas utility are:

Alabama.	Maryland.	Pennsylvania.
Arizona.	Massachusetts.	Rhode Island.
Arkansas.	Missouri.	Tennessee.
California.	New Jersey.	Utah.
Connecticut.	New York.	Virginia.
Idaho.	North Carolina.	Washington.
Illinois.	North Dakota.	West Virginia.
Indiana.	Ohio.	Wisconsin.
Maine.	Oregon.	

(The commission in Louisiana did not answer this question.)

Purchases of voting stock by corporations other than utilities are subject to control in 8 of the States with regulation. States in which the commissions have the power to control such ownership of voting stock are:

Alabama.	Missouri.	Tennessee.
Maryland.	New Jersey.	Washington.
Massachusetts.	New York.	

(The commissions in Louisiana and Idaho did not answer this question.)

Certain State commissions do not have the power to control the purchase of voting stock but have the power to publicize the ownership of substantial amounts of such securities. In Kansas, for example, 1 percent of the voting stock is considered a substantial interest and each utility must report names, addresses, and amount of securities owned for all persons or corporations holding 1 percent of the voting stock or more.

*Dividends.*—Dividends that will impair capital may be prohibited by 30 of the commissions. The States in which the commissions may not regulate the payment of dividends that will impair capital are:

Colorado.	Nevada.	Texas.
Michigan.	New Mexico.	Wyoming.
Montana.	Oklahoma.	

(The commissions in Kentucky, Louisiana, and Vermont did not answer this question.)

*Budgets of expenditures.*—Budgets of expenditures for specific purposes are subject to commission control in 14 of the States with commission regulation. In these States the commissions may disallow expenditures not considered to be in the public interest. These States are:

Alabama.	Missouri.	Tennessee.
Arizona.	New Jersey.	Utah.
Maine.	North Carolina.	Washington.
Maryland.	Oregon.	Wisconsin.
Massachusetts.	Pennsylvania.	

(The commissions in Louisiana, New York, and Vermont did not answer this question.)

*Contracts with or loans to affiliated interests.*—Contracts with or payments to affiliated interests are subject to commission regulation in 30 of the States with commission regulation. The States whose commissions do not have these powers are:

California.	Michigan.	New Hampshire.
Colorado.	Montana.	New Mexico.
Kentucky.	Nevada.	Wyoming.

(The commissions in Louisiana and Vermont did not answer this question.) Loans to affiliated interests are not subject to commission control in Georgia, Indiana, North Dakota, Oklahoma, Texas, and Utah in addition to the States named above. Thus, commissions in 24 of the 41 States with commission regulation of privately-owned gas utilities have the power to control loans, as well as other contracts, between a gas utility and its affiliated interests.

*Competitive bidding on property additions and on security issues.*—State commissions have the power to require competitive bidding on major property additions and on security issues (other than short-term notes) in 5 States with commission regulation. These States are:

Missouri.	Ohio.	Wisconsin.
New Jersey.	Pennsylvania.	

In addition to these States, competitive bidding on major property additions only may be required by commission in New York, on bond issues only in Massachusetts, and on security issues only in:

California.	Maine.	North Carolina.
Georgia.	Maryland.	North Dakota.
Kentucky.	New Hampshire.	Vermont.

Thus, commissions in 6 States may require competitive bidding on major property additions and in 16 States may require competitive bidding on security issues other than short-term notes. (Commissions not answering these questions were: Louisiana, both questions, New Hampshire and Vermont the question on major property additions, and Alabama and New York the question on security issues.)

The data shown in table IIIC are summarized in the following paragraphs.

*Accounts and records.*—In all the States with commission regulation the commission has the power to prescribe a uniform system of accounts, to designate the records to be kept, and to order specific entries or adjustments to the accounts. In 38 of the States, the commission may prescribe the depreciation method, and in 39 of the States it may prescribe the depreciation rates used in the accounts. The method of computing depreciation may not be prescribed by commissions in Michigan, New York, and Utah. The depreciation rates used in the accounts may not be prescribed by the commission in Michigan. (The commission in Nevada did not answer this question.) Report forms, annual and others, may be required by all the commissions.

All State commissions except the commissions in Arkansas, Texas, and Wyoming have prescribed a uniform system of accounts. (The commission in New Mexico did not answer this question.) All require an annual report from large privately owned gas utilities. (The commission in New Mexico did not answer this question.)

*System of accounts.*—The systems of accounts adopted by the various State commissions differ only in minor details. States using the same system of accounts have, in certain instances, modified the form slightly to provide for greater details or to supply local needs. In many cases the smaller utilities are exempt from the uniform system of accounts or are provided with a more simplified system. Allowing for modifications to provide greater details or to adopt the uniform system to local situations and for the exemption of smaller utilities, the uniform system of accounts prescribed in each of the States with commission regulation is as follows:

1936 N. A. R. U. C.* system	Former N. A. R. U. C.* system	Own system	No system
Alabama.	Connecticut.	California.	Arkansas.
Arizona.	Idaho.	Kansas.	New Mexico. <sup>†</sup>
Colorado.	Louisiana.	Kentucky.	Texas.
Georgia.	North Carolina. <sup>#</sup>	Maine.	Wyoming.
Illinois. <sup>\$</sup>	South Carolina. <sup>#</sup>	Massachusetts.	
Indiana.	Tennessee.	Missouri.	
Michigan.	Vermont.	Montana.	
Nevada.	Washington.	New Hampshire.	
New Jersey. <sup>#</sup>		New York.	
North Dakota.		Oklahoma.	
Oregon. <sup>#</sup>		Oklahoma.	
Pennsylvania.		Rhode Island.	
Utah.			
Virginia. <sup>#</sup>			
West Virginia. <sup>#</sup>			
Wisconsin.			

\*National Association of Railroad and Utilities Commissioners.

<sup>#</sup>With amendments to meet State requirements.

<sup>\$</sup>The State commission did not answer this question.

*Annual report forms.*—The annual report forms required in each of the States with commission regulation are subject to the same variations between States and among utilities according to size as in the case of the uniform systems of accounts. (The commission in New Mexico did not answer this question.) With due allowances for these variations, the annual report form required in the various States is as follows:

Present N. A. R. U. C.* annual report form	Former N. A. R. U. C.* annual report form	Own annual report form
Alabama.	Louisiana.	Arkansas.
Arizona.	Nevada.	California.
Colorado.	Vermont.	Connecticut.
Georgia.		Illinois.
Idaho.		Indiana.
Maryland.		Kansas.
Michigan.		Kentucky.
New Jersey. <sup>#</sup>		Maine.
North Dakota.		Massachusetts.
Oregon. <sup>#</sup>		Missouri.
Pennsylvania.		Montana.
South Carolina. <sup>#</sup>		New Hampshire.
Utah.		New York.
Virginia.		North Carolina.
West Virginia.		Ohio.
		Oklahoma.
		Pennsylvania.
		Rhode Island.
		Tennessee.
		Texas.
		Washington.
		Wisconsin.
		Wyoming.

\*National Association Railroad and Utilities Commissioners.

<sup>#</sup>With amendments.

*Depreciation reserve requirements.*—State commissions in 9 of the 39 States in which the commissions have the power to prescribe the method of computing depreciation have done so; and three of these commissions, New Jersey, North Carolina, and Tennessee, have prescribed the maximum and minimum reserve requirements in relation to plant. The States whose commissions have prescribed the method

of computing depreciation and the method prescribed are shown below:

Alabama.....	( <sup>1</sup> ).	Ohio.....	Straight line. <sup>3</sup>
Louisiana.....	Straight line.	Oregon.....	Do. <sup>4</sup>
Missouri.....	Do.	Tennessee.....	( <sup>1</sup> ).
New Jersey.....	( <sup>1</sup> ).	Wisconsin.....	Straight line. <sup>5</sup>
North Carolina.....	Straight line.		

<sup>1</sup> The commission did not state the method.

<sup>2</sup> Utilities submit the method they propose to follow for approval.

<sup>3</sup> Method prescribed by statute.

<sup>4</sup> In some cases no method has been prescribed.

<sup>5</sup> Provision is made for exceptions.

In some instances the commission has prescribed no general method but follows the same method in all rate cases. This method tends to be adopted by the utilities in their accounts. (The commission in Idaho did not answer this question.)

*General regulations for the preservation of records.*—General regulations for the preservation of records have been issued by the commissions in 14 States. These States are:

Alabama.	Michigan.	Pennsylvania.
Arizona.	Montana.	Rhode Island.
California.	New Hampshire.	Utah.
Illinois.	New York.	West Virginia.
Massachusetts.	Oregon.	

*Continuous property records.*—Continuous property records, records showing at all times the cost of the plant by definite units, are prescribed by the commissions in 12 States. These States are:

Connecticut.	Massachusetts.	Pennsylvania.
Kentucky.	New Jersey.	Vermont.
Louisiana.	New York.	West Virginia.
Maryland.	North Carolina.	Wisconsin.

(The commissions in Idaho and Nevada did not answer this question.)

*Lists of units of property used in accounts.*—Of the 37 States whose commissions have prescribed a uniform system of accounts, 16 States have provided lists of the units of property to be used in the accounts. These States are:

Alabama.	Indiana.	Pennsylvania.
California.	Massachusetts.	Utah.
Colorado.	New Hampshire.	Virginia.
Georgia.	New York.	West Virginia.
Idaho.	North Dakota.	
Oregon.		

(The commissions in Nevada and Vermont did not answer this question.)

*Advance submission of budgets by privately owned gas utilities.*—Of the 14 States whose commissions reported that they have the power to require the advance submission of budgets (table IIIB) three of the

commissions—New Jersey, Oregon, and Washington have required such submission.

*Assessment of costs of regulating privately owned gas utilities.*—The following tabulation shows the States in which the State commissions may assess part or all of the costs of commission regulation of privately owned gas utilities against the utilities involved. Of the 41 States with commission regulation, 24 assess part or all of the costs of regulation against privately owned electric utilities. These States and the limitations on assessments are as follows:

State	Assess special costs	Assess general costs	Limitations on assessments
Alabama.....	Yes <sup>1</sup> .	Yes	None.
Arkansas.....	No <sup>2</sup> .	No	0.4 percent of gross revenues. <sup>3</sup>
Georgia.....	No <sup>2</sup> .	No	( <sup>1</sup> ).
Illinois.....	Yes <sup>4</sup> .	No	None.
Indiana.....	Yes <sup>5</sup> .	No	0.5 percent of gross revenues.
Kansas.....	No <sup>2</sup> .	Yes	( <sup>1</sup> ).
Kentucky.....	No <sup>2</sup> .	Yes	( <sup>1</sup> ).
Louisiana.....	Yes <sup>6</sup> .	Yes	( <sup>1</sup> ).
Maine.....	No <sup>2</sup> .	No	( <sup>1</sup> ).
Missouri.....	Yes <sup>7</sup> .	No	( <sup>1</sup> ).
New Hampshire.....	Yes <sup>8</sup> .	No	0.5 percent of valuation.
New Jersey.....	No <sup>2</sup> .	No	0.5 percent of gross revenues.
North Dakota.....	Yes <sup>9</sup> .	Yes	0.2 percent of final valuation.
Ohio.....	Yes <sup>10</sup> .	Yes	0.25 percent of gross revenues.
Oregon.....	No <sup>2</sup> .	Yes	1 percent of gross revenue. <sup>11</sup>
Pennsylvania.....	Yes <sup>12</sup> .	Yes	None.
Rhode Island.....	No <sup>2</sup> .	Yes	Do.
South Carolina.....	Yes <sup>13</sup> .	Yes	0.5 percent of gross intrastate revenue.
Utah.....	No <sup>2</sup> .	Yes	Exceeding \$13,000 per year from all sources.
Vermont.....	No <sup>2</sup> .	Yes	Exceeding \$13,000 per year on a percentage of gross operating revenues with a limit of \$2,000—against any utility. Special investigation costs must be reasonable.
Washington.....	Yes <sup>14</sup> .	No <sup>15</sup>	1 percent of gross revenue.
West Virginia.....	No <sup>2</sup> .	Yes <sup>16</sup> .	( <sup>1</sup> ).
Wisconsin.....	No <sup>2</sup> .	Yes	0.5 percent of gross revenue.
Wyoming.....	Yes <sup>17</sup> .	No	None.

<sup>1</sup> State commission did not answer.

<sup>2</sup> When request for investigation is made by utility.

<sup>3</sup> Assessment provided by statute.

<sup>4</sup> Total assessment on all utilities except telephone carriers is limited \$70,000 per year.

<sup>5</sup> No assessment on all utilities for the first calendar years, 1 percent of gross operating revenues derived from intrastate operations in the first of said 2 years.

<sup>6</sup> Not to exceed \$13,000 per year from all sources.

<sup>7</sup> Exceeding \$13,000 per year on a percentage of gross operating revenues with a limit of \$2,000—against any utility. Special investigation costs must be reasonable.

<sup>8</sup> Maximum sum fixed by legislature.

<sup>9</sup> Applying to telephone companies.

<sup>10</sup> Covered by annual fees placed in a revolving fund and appropriated by the legislature. Fees, based on intrastate gross revenues, must be no more or less than the actual cost of commission operation.

<sup>11</sup> Funds derived from special license fees paid by utilities.

*Assessment of privately owned gas utilities for the purpose of taxation.*—Provisions for the assessment of privately owned gas utilities for the purpose of taxation by State regulatory commissions are the same as for privately owned electric utilities. These provisions are discussed in part I of this report.

*Indeterminate permits for privately owned gas utilities.*—Provisions for granting indeterminate permits to privately owned gas utilities are the same as for privately owned electric utilities discussed in part I of this report.



TABLE III B.—*State commission regulation of*

States	Initial service by certificate of conveniences and necessity	Lease or sale of facilities	Mergers and consolidations	Reorganizations	Issuance of securities
Alabama.....	Yes.....	Yes.....	Yes.....	Yes.....	Yes.....
Arizona.....	Yes.....	Yes.....	Yes.....	Yes.....	Yes.....
Arkansas.....	Yes.....	Yes.....	Yes.....	Yes.....	Yes.....
Colorado.....	Yes.....	Yes.....	Yes.....	No.....	No.....
Connecticut.....	No <sup>1</sup> .....	Yes.....	Yes.....	Yes.....	Yes.....
Delaware.....	Yes.....	Yes.....	Yes.....	Yes.....	Yes.....
District of Columbia.....	Yes.....	Yes.....	Yes.....	Yes.....	Yes.....
Florida.....	Yes.....	Yes.....	Yes.....	Yes.....	Yes.....
Iowa.....	Yes.....	Yes.....	Yes.....	No.....	Yes.....
Kansas.....	Yes.....	Yes.....	Yes.....	Yes.....	Yes.....
Kentucky.....	Yes.....	(Yes).....	(Yes).....	(Yes).....	No.....
Louisiana.....	No <sup>1</sup> .....	(Yes).....	(*).....	(*).....	(*).....
Maine.....	Yes.....	Yes.....	Yes.....	Yes.....	Yes.....
Maryland.....	Yes.....	Yes.....	Yes.....	Yes.....	Yes.....
Massachusetts.....	No.....	Yes.....	Yes.....	No.....	Yes.....
Michigan.....	No <sup>1</sup> .....	No.....	No.....	No.....	Yes.....
Minnesota.....	Yes.....	Yes.....	Yes.....	Yes.....	Yes.....
Missouri.....	Yes.....	Yes.....	Yes.....	Yes.....	Yes.....
Montana.....	Yes.....	No.....	No.....	No.....	No.....
Oklahoma.....	Yes.....	Yes.....	Yes.....	No.....	No.....
Oregon.....	Yes <sup>1</sup> .....	Yes.....	Yes.....	Yes.....	Yes.....
Pennsylvania.....	Yes.....	Yes.....	Yes.....	(Yes).....	Yes.....
Rhode Island.....	Yes.....	Yes.....	Yes.....	Yes.....	Yes.....
South Carolina.....	Yes.....	No.....	No.....	No.....	No.....
South Dakota.....	No.....	No.....	No.....	No.....	No.....
Tennessee.....	Yes.....	Yes.....	Yes.....	Yes.....	Yes.....
Texas.....	(Yes).....	No.....	No.....	No.....	No.....
Vermont.....	Yes.....	Yes.....	Yes.....	(*).....	Yes.....
Virginia.....	No.....	(Yes).....	(Yes).....	(Yes).....	Yes.....
Washington.....	No.....	Yes.....	Yes.....	Yes.....	Yes.....
West Virginia.....	Yes.....	Yes.....	Yes.....	Yes.....	No.....
Wyoming.....	Yes.....	Yes.....	No.....	No.....	No.....

\* State commission did not answer the question.

# No commission regulation of gas utilities.

(Yes) Incidental to general powers.

<sup>1</sup> Utilities chartered by special act of the legislature.  
<sup>2</sup> Unless competition is involved.

<sup>1</sup> Unless competition is involved.  
<sup>2</sup> Bonds only.

\* Bonds only.  
† If over 10 percent.

<sup>3</sup> If competition is involved in com-

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*privately owned gas utilities—Continued*

TABLE III C.—*State commission*

States	I have power to—				
	Prescribe uniform system of accounts	Designate records to be kept	Order specific entries or movements to accounts	Prescribe depreciation method	Prescribe depreciation rates used in accounts
Alabama	Yes	Yes	(Yes)	Yes	Yes
Arizona <sup>4</sup>	Yes	Yes	(Yes)	Yes	Yes
Oklahoma	Yes	Yes	(Yes)	Yes	Yes
California	Yes	Yes	Yes	Yes	Yes
Colorado	Yes	Yes	Yes	Yes	Yes
Connecticut	Yes	Yes	Yes	Yes	Yes
District of Columbia	Yes	(Yes)	Yes	Yes	Yes
Florida <sup>5</sup>	Yes	Yes	Yes	Yes	Yes
Georgia	Yes	(Yes)	(Yes)	(Yes)	Yes
Idaho	Yes	Yes	(Yes)	Yes	Yes
Illinois	Yes	Yes	(Yes)	Yes	Yes
Indiana	Yes	Yes	Yes	Yes	Yes
Iowa <sup>6</sup>	Yes	Yes	Yes	(Yes)	(Yes)
Kentucky	Yes	(Yes)	(Yes)	(Yes)	(Yes)
Louisiana	Yes	Yes	(Yes)	(Yes)	(Yes)
Maine	Yes	(Yes)	(Yes)	(Yes)	(Yes)
Maryland	Yes	Yes	(Yes)	(Yes)	(Yes)
Massachusetts	Yes	Yes	Yes	(Yes)	(Yes)
Michigan	Yes	(Yes)	(Yes)	No	No
Minnesota <sup>7</sup>	Yes	(Yes)	(Yes)	Yes	Yes
Pennsylvania	Yes	(Yes)	(Yes)	Yes	Yes
Montana	Yes	(Yes)	(Yes)	Yes	Yes
Nebraska <sup>8</sup>	Yes	Yes	Yes	(*)	Yes
Nevada	Yes	Yes	Yes	Yes	Yes
New Hampshire	Yes	Yes	Yes	Yes	Yes
North Carolina	Yes	(Yes)	(Yes)	(Yes)	(Yes)
North Dakota	Yes	Yes	Yes	Yes	Yes
Ohio	Yes	Yes	Yes	Yes	Yes
Oklahoma	Yes	Yes	Yes	Yes	Yes
Oregon	Yes	Yes	Yes	Yes	Yes
Pennsylvania	Yes	Yes	Yes	Yes	Yes
Rhode Island	Yes	(Yes)	(Yes)	(Yes)	(Yes)
South Carolina	Yes	Yes	Yes	Yes	Yes
South Dakota <sup>9</sup>	Yes	Yes	Yes	Yes	Yes
Tennessee	Yes	Yes	Yes	(Yes)	Yes
Texas	(Yes)	Yes	Yes	Yes	Yes
Vermont	Yes	Yes	Yes	Yes	Yes
Virginia	Yes	(Yes)	(Yes)	(Yes)	(Yes)
Washington	Yes	(Yes)	(Yes)	Yes	Yes
West Virginia	Yes	Yes	Yes	(Yes)	(Yes)
Wisconsin	Yes	Yes	Yes	Yes	Yes
Wyoming	Yes	Yes	Yes	Yes	Yes

\*State commission did not answer this question.

-State commission did not answer this question.  
#No commission regulation of gas utilities.

(Yes) Incidental to general powers.

regulation of gas utilities

## State Commission Regulation of Municipally Owned Gas Utilities

There are few municipally owned gas utilities in the United States. Municipally owned gas utilities are subject to the same regulation that prevails for municipally owned electric utilities. (Some commissions merely noted that there were no municipally owned gas utilities within the State, but as both electric and gas utilities in such States are subject to the same regulation, it is assumed that municipally owned gas utilities would be regulated the same as municipally owned electric utilities.) Part II of the report, therefore, applies to municipally owned gas utilities in the same manner that it applies to municipally owned electric utilities.

In Texas, the only State regulating gas utilities which does not regulate electric utilities, the commission does not have the power to regulate municipally owned plants.

(44)

## State Commission Regulation of Natural Gas Production

The production of natural gas is subject to some control in all States producing natural gas in commercial quantities except Mississippi and Montana. Details of such regulation appear in table IV. Natural gas is produced in quantity in 21 of the 48 States.

*Commission regulation of production.*—The amount and rate of production of natural gas by the utility within the State is subject to commission regulation in 6 States. These States are:

Kansas.	North Dakota.	Texas.
Michigan.	Oklahoma.	Washington.

(The commission in California did not answer this question.) In California and Louisiana, control rests with agencies other than the commission. In California, control is vested in the department of natural resources. In Louisiana, the regulatory authority is the commissioner of conservation. In New Mexico, the conservation commission has the power to control the industry.

In Texas, the railroad commission regulates production through its oil and gas division which is separate from its gas utilities division.

*Commission regulation of amounts charged for depletion.*—The amounts charged in the accounts for the depletion of natural gas resources are subject to regulation in 10 States. These States are:

Illinois.	North Dakota.	Texas.
Indiana.	Ohio.	Washington.
Kansas.	Pennsylvania.	West Virginia.
Kentucky.		

(The commissions in Louisiana and New York did not answer this question.)

*Commission regulation of transportation for the account of others.*—In 7 States the State commissions may regulate and require natural gas companies to transport gas in their lines for the account of others. These States are:

California.	North Dakota.	Washington.
Michigan.	Oklahoma.	Wyoming.
New Mexico.		

(45)

(The commissions in Louisiana and New York did not answer this question.)

*Commission regulation of the spacing of natural gas wells.*—Commissions have the power to regulate the spacing of natural gas wells in 6 States. These States are:

Kansas.	Oklahoma.	Washington.
North Dakota.	Texas.	Wyoming.

(The commission in Louisiana did not answer this question.)

*Commission regulation by prorating production.*—Commissions have the power to prorate the taking of natural gas from producers in 6 States. These States are:

Kansas.	North Dakota.	Texas.
Michigan.	Oklahoma.	Washington.

(The commission in Louisiana did not answer this question.)

*Commission regulation of natural gas well-mouth contracts.*—Natural gas well-mouth contracts are subject to commission regulation in 6 States. In 4 States—North Dakota, Ohio, Oklahoma, and Washington—this regulation may be accomplished by regulating both purchasers and sellers. In Texas, the regulation is effected by control over the purchasers. (The commission in Louisiana did not answer either of these questions.)

TABLE IV.—*Commission has power over natural gas producers to regulate*

States	Amount and rate of gas produced by utility	Amount charged for depletion	Transportation for account of others	Spacing of wells	And to proportionate taking of gas from producers	Rates in well-mouth contracts	
						By regulating purchasers	By regulating seller
Alabama <sup>1</sup>							
Arizona <sup>1</sup>							
Arkansas <sup>1</sup>	No.	(No)	No.	No.	No.	No.	No.
California <sup>1</sup>			(Yes)	No.	No.	No.	
Colorado <sup>1</sup>							
Connecticut <sup>1</sup>							
Delaware <sup>1</sup>							
Dist. of Columbia <sup>1</sup>							
Florida <sup>1</sup>							
Georgia <sup>1</sup>							
Idaho <sup>1</sup>	No.	Yes	No.	No.	No.	No.	No.
Illinois <sup>1</sup>	No.	(Yes)	No.	No.	No.	No.	No.
Indiana <sup>1</sup>							
Iowa <sup>1</sup>							
Kansas <sup>1</sup>	(Yes)	(Yes)	No.	(Yes)	Yes	No.	No.
Kentucky <sup>1</sup>	No.	(Yes)	No.	No.	No.	No.	No.
Louisiana <sup>1</sup>	No.	(Yes)	(Yes)	(Yes)	(Yes)	(Yes)	(Yes)
Maine <sup>1</sup>							
Maryland <sup>1</sup>							
Massachusetts <sup>1</sup>							
Michigan <sup>1</sup>	Yes	No.	Yes	No.	Yes	Yes	No.
Minnesota <sup>1</sup>							
Mississippi <sup>1</sup>	No.	No.	No.	No.	No.	No.	No.
Missouri <sup>1</sup>							
Montana <sup>1</sup>							
Nebraska <sup>1</sup>							
New Hampshire <sup>1</sup>							
New Jersey <sup>1</sup>	No.	No.	Yes	No.	No.	No.	No.
New Mexico <sup>1</sup>	No.	No.	Yes	No.	No.	No.	No.

See footnote at end of table.

TABLE IV.—*Commission has power over natural gas producers to regulate—Con.*

States	Amount and rate of gas produced by utility	Amount charged for depletion	Transportation for account of others	Spacing of wells	And to proportionate taking of gas from producers	Rates in well-mouth contracts	
						By regulating purchasers	By regulating seller
New York <sup>1</sup>	No.	(*)	(*)	No.	No.	No.	No.
North Carolina <sup>1</sup>	(Yes)	(Yes)	Yes	Yes	Yes	Yes	Yes
North Dakota	No.	(Yes)	No.	No.	No.	Yes	Yes
Ohio <sup>1</sup>	Yes	No.	Yes	Yes	Yes	(Yes)	(Yes)
Oklahoma <sup>1</sup>							
Oregon <sup>1</sup>							
Pennsylvania <sup>1</sup>	No.	Yes <sup>a</sup>	No.	No.	No.	No.	No.
Rhode Island <sup>1</sup>							
South Carolina <sup>1</sup>							
South Dakota <sup>1</sup>							
Tennessee <sup>1</sup>	Yes	(Yes)	No.	Yes	(Yes)	Yes	No.
Texas <sup>1</sup>	Yes	Yes	No.	Yes	(Yes)	Yes	No.
Utah <sup>1</sup>							
Vermont <sup>1</sup>							
Virginia <sup>1</sup>	Yes	(Yes)	(Yes)	(Yes)	(Yes)	(Yes)	(Yes)
Washington <sup>1</sup>	No.	(Yes)	No.	No.	No.	No.	No.
West Virginia <sup>1</sup>							
Wisconsin <sup>1</sup>	No.	No.	Yes	Yes	No.	No.	No.
Wyoming <sup>1</sup>	No.	No.	Yes	Yes	No.	No.	No.

\*Commission did not answer this question.

(\*) Incidental to general powers.

<sup>a</sup> No natural gas wells or very small quantities of natural gas produced.

© No commission regulation of natural gas production.

† Power to control production vested in oil and gas commissions.

‡ Power to control production vested in department of natural resources.

§ Power to control production vested in state commission of conservation.

|| Power to control production is placed under the "New Mexico Oil and Gas Conservation" law with the conservation commission.

\*\* Natural gas under natural gas production but regulated as other gas utilities.

† Utilities marketing directly to consumers.

‡ Production of natural gas is regulated by the railroad commission through its oil and gas division which is separate from the gas utility division.

## State Commission Regulation of Utilities Other Than Electric and Gas

Utilities other than electric and gas utilities regulated by State commissions are shown in table V. Information as to the nature and extent of regulation over these various utilities was not solicited in the questionnaire. The data are shown merely to indicate the extent of the activities of the various State commissions regulating the various utility businesses.

(49)

TABLE V.—*State commission regulation*

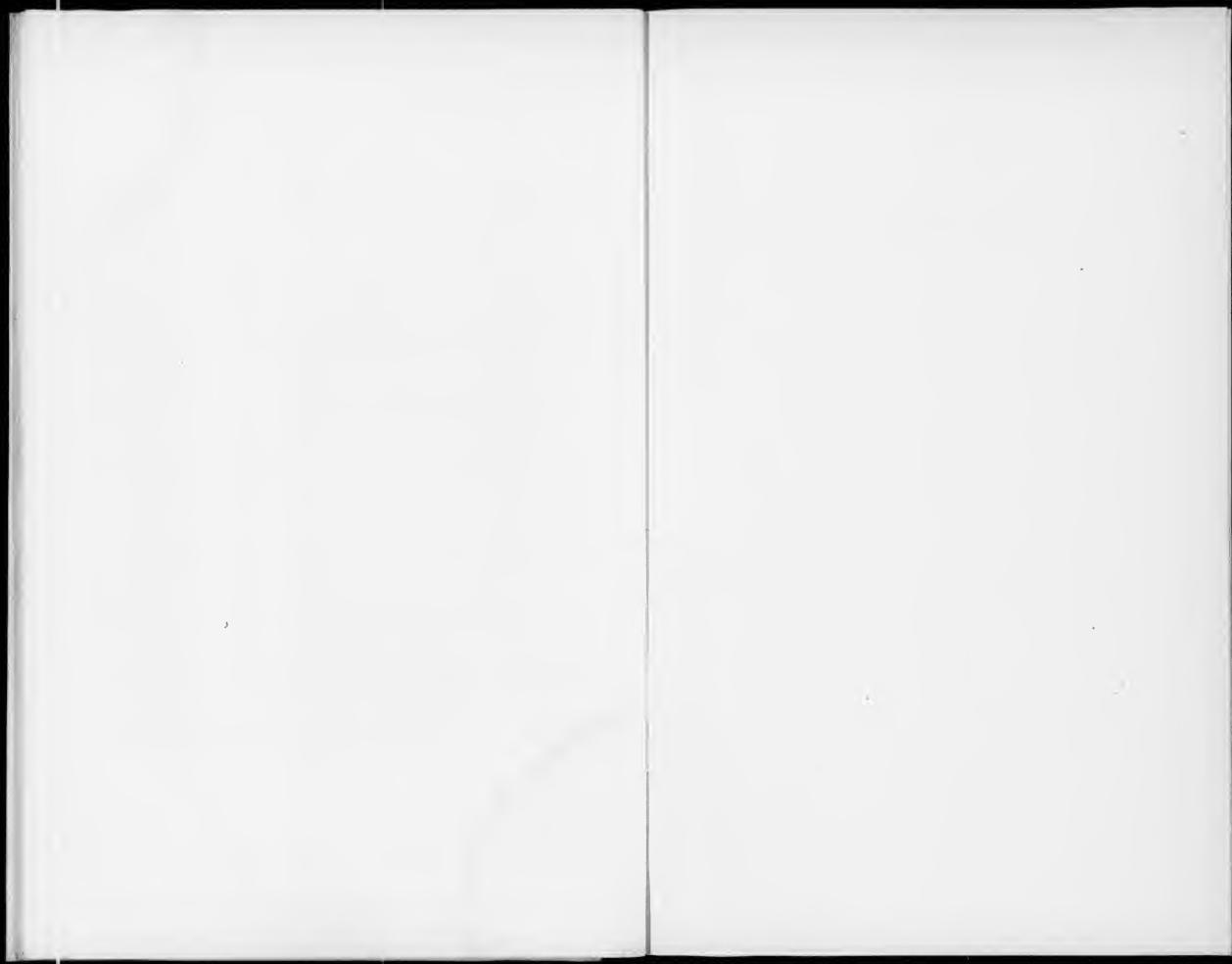
States	Steam railroads	Interurban	Steam heating	Telegraph
Alabama	Yes	Yes	Yes	Yes
Arizona	Yes	None	Yes	Yes
Arkansas	Yes	Yes	Yes	Yes
California	Yes	Yes	Yes	Yes
Connecticut	Yes	Yes	Yes	Yes
Delaware	Yes	Yes	Yes	Yes
District of Columbia	Yes	Yes	Yes	Yes
Georgia	Yes	Yes	Yes	Yes
Idaho	Yes	Yes	Yes	Yes
Illinois	Yes	Yes	Yes	Yes
Indiana	Yes	Yes	Yes	Yes
Kansas	Yes	Yes	Yes	Yes
Kentucky	Yes	Yes	Yes	Yes
Louisiana	Yes	Yes	Yes	Yes
Maine	Yes	Yes	Yes	Yes
Maryland	Yes	Yes	Yes	Yes
Massachusetts	Yes	Yes	Yes	Yes
Michigan	Yes	Yes	Yes	Yes
Minnesota	Yes	Yes	Yes	Yes
Mississippi	Yes	Yes	Yes	Yes
Missouri	Yes	Yes	Yes	Yes
Montana	Yes	None	Yes	Yes
Nebraska	Yes	Yes	Yes	Yes
Nevada	Yes	Yes	Yes	Yes
New Hampshire	Yes	Yes	Yes	Yes
New Jersey	Yes	Yes	Yes	Yes
New Mexico	Yes	Yes	Yes	Yes
New York	Yes	Yes	Yes	Yes
North Carolina	Yes	Yes	Yes	Yes
North Dakota	Yes	Yes	Yes	Yes
Ohio	Yes	Yes	Yes	Yes
Oklahoma	Yes	Yes	Yes	Yes
Oregon	Yes	Yes	Yes	Yes
Pennsylvania	Yes	Yes	Yes	Yes
Rhode Island	Yes	Yes	Yes	Yes
South Carolina	Yes	Yes	Yes	Yes
Tennessee	Yes	Yes	Yes	Yes
Texas	Yes	Yes	Yes	Yes
Utah	Yes	Yes	Yes	Yes
Vermont	Yes	Yes	Yes	Yes
Virginia	Yes	Yes	Yes	Yes
Washington	Yes	Yes	Yes	Yes
West Virginia	Yes	Yes	Yes	Yes
Wisconsin	Yes	Yes	Yes	Yes

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ANSWER

Other utilities include express companies; toll roads, toll bridges, ferries, and canals; warehouses; docks and wharves; gins; sleeping-car companies; irrigation; heating and refrigerating; taxicabs and liveries; aviation; sewer companies; freight terminal companies; steamboats and carriers by water; messenger companies; etc. States indicated by yes regulate one or more of these utilities.

*of utilities other than electric and gas*



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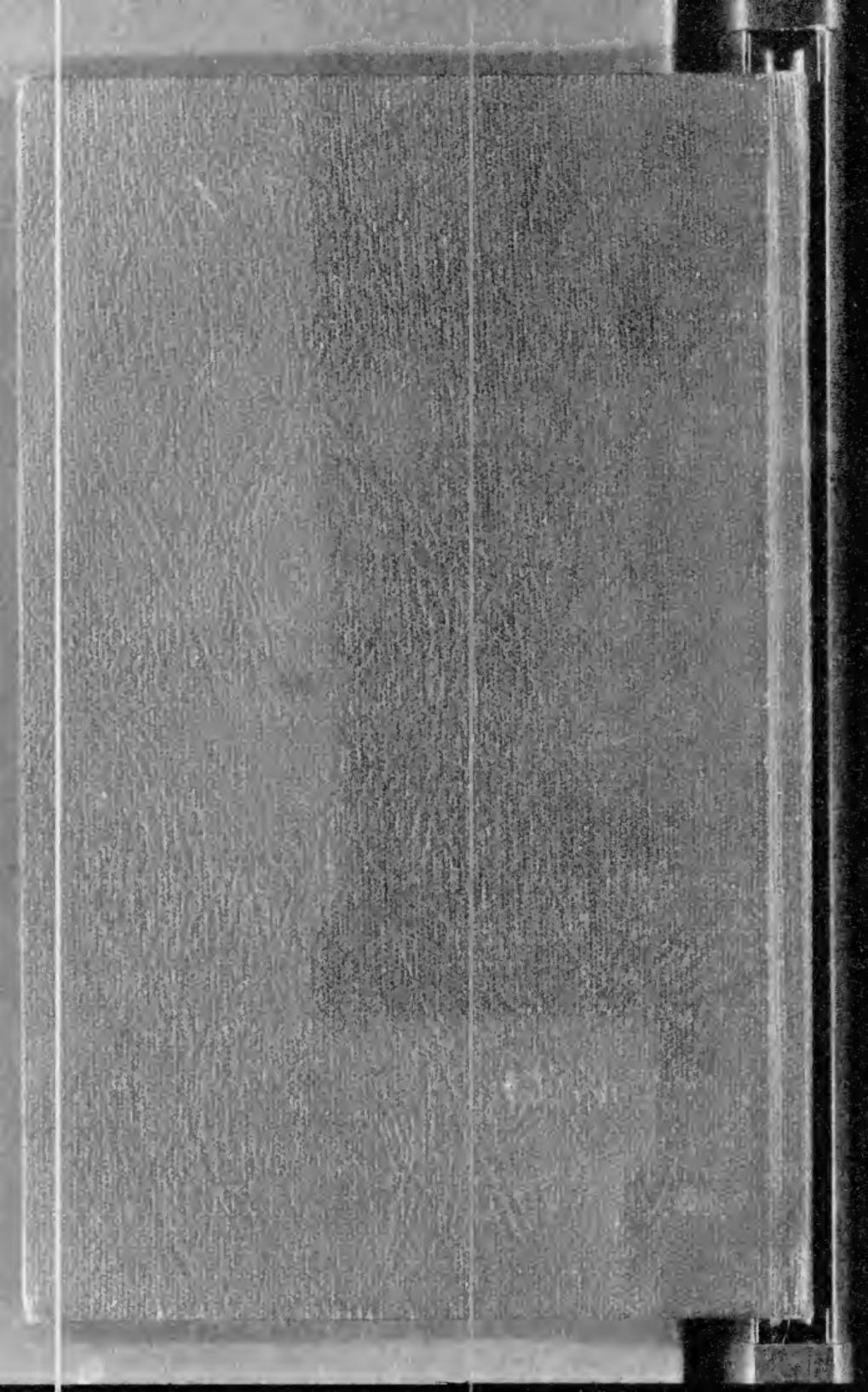


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TITLE**